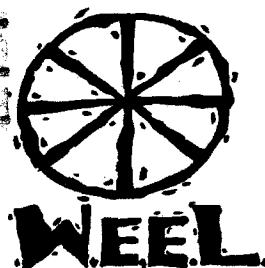


To: House Appropriations
From: WEEL – Olivia Riutta – oriutta@weelempowers.org, 406.495.0497.
Date: February 8, 2007
Re: House Bill 387 – Increase CHIP Eligibility to 200% FPL

EXHIBIT 10
DATE 2/8/07
HB 387



Mr. Chairman and members of the committee.

I am here today as a representative of WEEL. We are a state based non-profit organization that is made up of low-income Montanans and those who support us. We provide direct advocacy for our low-income neighbors. I am here today to support HB 387 because it helps working families, it is good for Montana businesses, and it is a program that Montanans support and want to see increased.

Currently in Montana there are 37,000 uninsured children. We are unique in that our uninsured rates among our kids have actually increased while the rest of the country has held steady. Over 90% of the uninsured kids come from families where at least one parent works – this is a program that supports working Montanans. These are not our lowest income Montanans and certainly not our most affluent, but they are in the middle, working hard, but unable to afford the increasing cost of health care.

Insurance is simply unaffordable. Insurance costs 32% of the median family income for a family of four in Montana. And since 2000, health insurance premiums for family coverage have increased 87%. Insurance premiums have increase at a much greater rate than inflation or workers' earnings.

As insurance rates increase, businesses are paying more, but are also cost shifting to employees. Over 35% of Montanans work at a business with fewer than ten employees, these are small businesses that can't afford such drastic increases in premiums. Over 75% of MT firms that do not offer health insurance cite cost as the main obstacle. CHIP is a common sense way to support our Montana businesses.

CHIP is a smart investment not only because it draws down four federal dollars for each state dollar invested, but it provides primary and preventive care at a time when it is least costly. Uninsured kids have unmet health needs: less than half (46%) of uninsured children had a well-child visit in the last year. Uninsured kids are nearly five times more likely to have at least one unmet health care need, compared to children with health insurance.

CHIP is important because it is supported by Montanans. In January there was a Lee Newspaper poll where 83% of respondents expressed their support for CHIP expansion. This is a bipartisan issue because families are struggling with covering their children in both Republican and Democratic districts.

CHIP is a proven program that supports hard working families through access to affordable health care for their kids. It is a smart investment in the health of Montana's kids as well as our economy. I urge you to support HB 387.

Thank you,

Olivia Riutta